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June 26, 1998

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JUN 20 1990

BY FACSIMILE AND EXPRESS MAIL

Seth D. Greenstein, Esq. McDermott, Will & Emery 600 13th Street, N.W. Washington, D.C. 20005-3096

> Digital Phonorecord Delivery Rate Adjustment Proceeding, Docket No. 96-4 CARP DPRA

Dear Seth:

On May 12, 1998, we met with the Copyright Office regarding the status of our efforts to settle issues raised by your clients with regard to the abovereferenced proceeding. At that meeting, we were given a deadline of June 15, 1998 to complete our negotiations and report back to the Copyright Office. On May 21, 1998, I personally presented you with a detailed written settlement proposal on behalf of my clients National Music Publishers' Association and The Harry Fox Agency, Inc. That proposal was a further iteration of an earlier proposal I had sent you some weeks before. When I gave you our May 21 proposal, I reminded you that we had a

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Seth D. Greenstein, Esq.

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deadline of June 15, 1998 to get back to the Copyright Office. You acknowledged your awareness of that deadline.

Since that date, we have yet to receive any response from you or your clients with regard to our proposal. Instead on June 15 — the last day we had to get back to the Copyright Office — you advised me that your clients were still reviewing the proposal, that you were "optimistic" about reaching a settlement and that you needed an additional two weeks for that purpose. Based on that representation, we agreed to join you in seeking a two-week extension. Since it was your clients that needed additional time, I asked that you write to the Copyright Office to request the extension. On that same day, you wrote to the Copyright Office requesting an extension of time until June 30, 1998 "to assist the parties in concluding their negotiations." In your letter, you represented to the Copyright Office as follows:

Since our meeting on [May 12, 1998], the parties have continued to exchange possible settlement terms. Substantial progress has been made toward potential resolution without need of arbitration by these parties. Specific terms including finer points of a potential agreement are now under review. Although the parties have not yet reached agreement, a short additional time period would allow the parties to consider and respond to the last set of offers placed on the table by each side."

Despite that representation, neither you nor your clients has responded to the written proposal I gave you on May 21. Last week, I sent you an e-mail (as we had previously corresponded) suggesting that we meet in person to discuss any issues your clients may have concerning our proposal. This week, on Monday and again yesterday morning, I called your office to discuss this matter. On each occasion, I was told you were not available and left messages requesting that you call me back. You have yet to return those calls. It is now Friday, June 26, and we again face an imminent deadline, next Tuesday, June 30 -- the date you requested, to report to the Copyright Office.

On behalf of my clients, I have done everything I can to try to achieve a settlement of the issues your client has raised in this proceeding. We have long

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since reached agreement with <u>all</u> the other parties to this proceeding. I would appreciate a response to our May 21 proposal.

Sincerely,

Carey R. Ramos

cc: David O. Carson, Esq.
Steven R. Englund, Esq.
Bruce G. Joseph, Esq.
Michael J. Remington, Esq.
Cary H. Sherman, Esq.

## PAUL, WEISS, RIFKIND, WHARTON & GARRISON 1285 Avenue of the Americas, New York, N.Y. 10019-6064 (212) 373-3000

## FACSIMILE COVER LETTER

SECULAR COURSE
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DATE: June 26, 1998 F. C. E. IVED FROM: Carey R. Ramos TOTAL NUMBER OF PAGES: 4 (Including Cover Sheet) TO THE FOLLOWING: Time Sent FAX. NO. FIRM/COMPANY NAME (list alt. where possible) 202-756-8128 McDermott, Will & Emery Seth D. Greenstein 202-707-8366 Copyright Office David O. Carson 202-942-5999 Arnold & Porter Steven R. Englund 202-429-7049 Wiley, Rein & Fielding Bruce G. Joseph Drinker, Piddle & Reath 202-289-5390 Michael J. Remington 202-775-7253 **RIAA** Cary H. Sherman Records Return original to: Sender COMMENT/MESSAGE: Return Facsimile Number: (212) 373-2773 THIS MESSAGE IS INTENDED ONLY FOR THE USE OF THE ADDRESSEE AND MAY CONTAIN INFORMATION THAT IS PRIVILEGED AND CONFIDENTIAL. IF YOU ARE NOT THE INTENDED RECIPIENT, YOU ARE HEREBY NOTIFIED THAT ANY DISSEMINATION OF THIS COMMUNICATION IS STRICTLY PROHIBITED. IF YOU HAVE RECEIVED THIS COMMUNICATION IN ERROR, PLEASE NOTIFY US IMMEDIATELY BY TELEPHONE. THANK YOU. If transmission is incomplete, or you have other questions, please call: (212) 373-3240

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